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## OFFICE OF LEGISLATIVE COUNSEL

Tuesday - 31 August 1976

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3. [REDACTED] LIAISON Bill Hogan, Counsel, House Armed Services Committee staff, called to advise that he had been visited by a member of the Legislative Liaison staff of the Department of Defense who asked for an informal discussion with the Special Subcommittee on Intelligence staff on a proposed amendment to provide Defense authority to covertly fund certain special intelligence Defense activities. The amendment revises Section 127 of Title 10 and was proposed by Deputy Secretary of Defense Robert Ellsworth. Defense is now funding these activities without disclosing how the money is being used but feels the authority is necessary. Hogan told the individual that the proposal appeared to affect Community responsibilities of the DCI and involved the protection of intelligence sources and methods and suggested that Defense coordinate the proposal with the Agency. He asked that we not do anything about this matter until he had discussed it further with Frank Slatinshek, Chief Counsel.

I earlier called Hogan to inform him of the provision in the Public Buildings Act which requires congressional approval of any expenditures in excess of \$500,000 for building repair or maintenance. I explained that the Agency's expenditures to refurbish the Selective Service building downtown to house the IC staff is under \$500,000 for this year and this Act will not apply. I noted, however, that there may be additional expenditures next year. Hogan said he was aware of the move and the refurbishing and asked when the IC staff will go. I said it looks now like early next year.

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